



MAPLE VALLEY TOWNSHIP
MONTCALM COUNTY, MICHIGAN
AUDIT REPORT
MARCH 31, 2005

Auditing Procedures Report

Issued under P.A. 2 of 1968, as amended.

| | | | |
|---|--------------------------------|--|---------------------------|
| Local Government Type <input type="checkbox"/> City <input checked="" type="checkbox"/> Township <input type="checkbox"/> Village <input type="checkbox"/> Other | | Local Government Name Maple Valley Township | County Montcalm |
| Audit Date 3/31/05 | Opinion Date 5/26/05 | Date Accountant Report Submitted to State: 7/11/05 | |

We have audited the financial statements of this local unit of government and rendered an opinion on financial statements prepared in accordance with the Statements of the Governmental Accounting Standards Board (GASB) and the *Uniform Reporting Format for Financial Statements for Counties and Local Units of Government in Michigan* by the Michigan Department of Treasury.

We affirm that:

1. We have complied with the *Bulletin for the Audits of Local Units of Government in Michigan* as revised.
2. We are certified public accountants registered to practice in Michigan.

We further affirm the following. "Yes" responses have been disclosed in the financial statements, including the notes, or in the report of comments and recommendations

You must check the applicable box for each item below.

- | | |
|---|---|
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 1. Certain component units/funds/agencies of the local unit are excluded from the financial statements. |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 2. There are accumulated deficits in one or more of this unit's unreserved fund balances/retained earnings (P.A. 275 of 1980). |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 3. There are instances of non-compliance with the Uniform Accounting and Budgeting Act (P.A. 2 of 1968, as amended). |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 4. The local unit has violated the conditions of either an order issued under the Municipal Finance Act or its requirements, or an order issued under the Emergency Municipal Loan Act. |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 5. The local unit holds deposits/investments which do not comply with statutory requirements. (P.A. 20 of 1943, as amended [MCL 129.91], or P.A. 55 of 1982, as amended [MCL 38.1132]). |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 6. The local unit has been delinquent in distributing tax revenues that were collected for another taxing unit. |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 7. The local unit has violated the Constitutional requirement (Article 9, Section 24) to fund current year earned pension benefits (normal costs) in the current year. If the plan is more than 100% funded and the overfunding credits are more than the normal cost requirement, no contributions are due (paid during the year). |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 8. The local unit uses credit cards and has not adopted an applicable policy as required by P.A. 266 of 1995 (MCL 129.241). |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 9. The local unit has not adopted an investment policy as required by P.A. 196 of 1997 (MCL 129.95). |

We have enclosed the following:

| | Enclosed | To Be Forwarded | Not Required |
|---|----------|-----------------|--------------|
| The letter of comments and recommendations. | ✓ | | |
| Reports on individual federal financial assistance programs (program audits). | | | ✓ |
| Single Audit Reports (ASLGU). | | | ✓ |

| | | | |
|--|---------------------------|------------------------|---------------------|
| Certified Public Accountant (Firm Name) TERRY KIRKPATRICK, CPA, P.C. | | | |
| Street Address 211 MAPLE STREET | City BIG RAPIDS | State MI | ZIP 49307 |
| Accountant Signature <i>Terry D Kirkpatrick, CPA</i> | | Date 7-11-05 | |

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TERRY KIRKPATRICK, CPA, P.C.

CERTIFIED PUBLIC ACCOUNTANT

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Independent Auditor's Report

To the Township Board
Maple Valley Township, Montcalm County

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Maple Valley Township, Montcalm County, Michigan, as of and for the year ended March 31, 2005, which collectively comprise Maple Valley Township's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the management of Maple Valley Township, Montcalm County, Michigan. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Maple Valley Township, Montcalm County, Michigan, as of March 31, 2005, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The Maple Valley Township has implemented a new financial reporting model, as required by provisions of GASB Statement No. 34, *Basic Financial Statements – Management's Discussion and Analysis- for State and Local Governments*, as of March 31, 2005. Management has elected not to present the Management's Discussion and Analysis portion of the financial statements.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Maple Valley Township, Montcalm County, Michigan basic financial statements. The combining and individual non-major fund financial statements have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Terry Kirkpatrick, CPA, P.C.

Big Rapids, Michigan
May 26, 2005

BASIC FINANCIAL STATEMENTS

Maple Valley Township – Montcalm County, Michigan

Government Wide Statement of Net Assets

March 31, 2005

| | Governmental Activities |
|---|----------------------------|
| ASSETS | |
| Cash and Cash Equivalents | \$ 264,128 |
| Receivables - Other Governmental Units | 85,957 |
| Delinquent Tax Receivable | 1,313 |
| Capital Assets (Net) | <u>264,328</u> |
| Total assets | <u>\$ 615,726</u> |
| LIABILITIES | |
| Due to Other Units of Government | \$ 25 |
| NET ASSETS | |
| Invested in capital assets, net of related debt | 264,328 |
| Unrestricted | <u>351,373</u> |
| Total net assets | <u>615,701</u> |
| Total liabilities and net assets | <u>\$ 615,726</u> |

The "Notes to Financial Statements" are an integral part of these statements.

Maple Valley Township – Montcalm County, Michigan
Government Wide Statement of Activities
For the Year Ended March 31, 2005

| | Expenses | Program Revenues | Operating Grants | Governmental Activities |
|----------------------------|------------|----------------------|------------------|---|
| | | Charges for Services | | Net (Expense) Revenue and Changes in Net Assets |
| PRIMARY GOVERNMENT | | | | |
| General Government | \$ 99,050 | \$ 0 | \$ 0 | (99,050) |
| Public Safety | 66,949 | 39,732 | 0 | (27,217) |
| Public Works | 53,793 | 0 | 0 | (53,793) |
| Cultural and Recreation | 20,775 | 0 | 0 | (20,775) |
| Other Functions | 11,309 | 0 | 0 | (11,309) |
| Depreciation (unallocated) | 14,963 | 0 | 0 | (14,963) |
| Total primary government | \$ 266,839 | \$ 39,732 | \$ 0 | (227,107) |

| | |
|--------------------------------|------------|
| General Revenues | 51,621 |
| Property Taxes | 146,986 |
| State Grants | 5,499 |
| Charges for Services | 5,078 |
| Interest and Rents | 28,473 |
| Other Revenue | 237,657 |
| Total general revenues | 10,550 |
| Change in Net Assets | 605,151 |
| Net assets - Beginning of year | \$ 615,701 |
| Net assets - End of year | |

The "Notes to Financial Statements" are an integral part of these statements.

GOVERNMENTAL FUND FINANCIAL STATEMENTS

Maple Valley Township – Montcalm County, Michigan
 Governmental Fund Balance Sheet
 March 31, 2005

| | General Fund | Fire Fund | Total Governmental Funds |
|--|-----------------|--------------|--------------------------------|
| ASSETS | | | |
| Cash and Cash Equivalents | \$ 291,242 | \$ (27,114) | \$ 264,128 |
| Delinquent Taxes Receivable | 619 | 694 | 1,313 |
| Due from Other Governmental Units | 47,109 | 38,848 | 85,957 |
| Due from Other Funds | 0 | 5,324 | 5,324 |
| Total assets | \$ 338,970 | \$ 17,752 | \$ 356,722 |
| LIABILITIES AND FUND EQUITY | | | |
| Due to Other Units of Government | \$ 25 | \$ 0 | \$ 25 |
| Due to Other Funds | 5,324 | 0 | 5,324 |
| Fund Balance - Unreserved and Undesignated | 333,621 | 17,752 | 351,373 |
| Total liabilities and fund equity | \$ 338,970 | \$ 17,752 | \$ 356,722 |

Reconciliation of the Balance Sheet of Governmental Funds to
 the Statement of Net Assets

| | |
|---|------------|
| Total Governmental Fund Balances | \$ 351,373 |
| Amounts reported for governmental activities in the statement of net assets are different because: | |
| Capital assets used in governmental activities are not financial resources, and are not reported in the funds. | |
| Long-term liabilities that are not due and payable in the current period are not reported in the funds: | |
| notes payable | |
| Agency funds are not shown in these statements, which accounts for interfund receivable not being shown | |
| Cost of capital assets, net of depreciation | 264,328 |
| Net assets of governmental activities | \$ 615,701 |

The "Notes to Financial Statements" are an integral part of these statements.

Maple Valley Township – Montcalm County, Michigan
Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended March 31, 2005

| | General Fund | Fire Fund | Total Government Funds |
|---|-----------------|--------------|------------------------------|
| REVENUES | | | |
| Property Taxes | \$ 51,621 | \$ 39,542 | \$ 91,163 |
| State Grants | 146,986 | 0 | 146,986 |
| Charges for Services | 5,689 | 0 | 5,689 |
| Interest and Rents | 5,078 | 0 | 5,078 |
| Other Revenue | 19,539 | 8,934 | 28,473 |
| Total revenues | 228,913 | 48,476 | 277,389 |
| EXPENDITURES | | | |
| General Government | 99,050 | 0 | 99,050 |
| Public Safety | 3,757 | 70,687 | 74,444 |
| Public Works | 53,793 | 0 | 53,793 |
| Cultural and Recreation | 20,775 | 0 | 20,775 |
| Other Functions | 11,309 | 0 | 11,309 |
| Total expenditures | 188,684 | 70,687 | 259,371 |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | 40,229 | (22,211) | 18,018 |
| Fund Balance - April 1, 2004 | 293,392 | 39,963 | 333,355 |
| Fund Balance - March 31, 2005 | \$ 333,621 | \$ 17,752 | \$ 351,373 |

The "Notes to Financial Statements" are an integral part of these statements.

Maple Valley Township – Montcalm County, Michigan

Reconciliation of the Statement of Revenue, Expenditures and Changes in Fund Balance of Governmental Funds to the Statement of Activities

For the Year Ended March 31, 2005

| | |
|--|------------------|
| Net Change in Fund Balances - Total Government Funds | \$ 18,018 |
| Amounts reported for governmental activities in the statement of activities are different because: | |
| Governmental funds report capital outlays as expenditures; in the statement of activities, these costs are allocated over their estimated useful lives as depreciation | 7,495 |
| Depreciation expense | <u>(14,963)</u> |
| Change in Net Assets of Governmental Activities | <u>\$ 10,550</u> |

The "Notes to Financial Statements" are an integrated part of these statements.

Maple Valley Township – Montcalm County, Michigan

Fiduciary Fund
Statement of Net Assets
March 31, 2005

| | <u>Trust Fund</u> | | <u>Agency Fund Type</u> | |
|-----------------------------------|--------------------------------|--------|-------------------------------------|--------|
| | <u>Cemetery Perpetual Care</u> | | <u>Property Tax Collection Fund</u> | |
| ASSETS | | | | |
| Cash and Cash Equivalents | \$ | 23,156 | \$ | 76,925 |
| Due from General Fund | | 25 | | 0 |
| Total Assets | \$ | 23,181 | \$ | 76,925 |
| LIABILITIES AND FUND EQUITY | | | | |
| Due to General Fund | \$ | 0 | \$ | 42,098 |
| Due to Fire Fund | | 0 | | 34,827 |
| Fund Balance- Expendable | | 9,382 | | 0 |
| - Non-expendable | | 13,799 | | 0 |
| Total liabilities and fund equity | \$ | 23,181 | \$ | 76,925 |

The "Notes to Financial Statements" are an integrated part of these statements.

NOTES TO FINANCIAL STATEMENTS

Maple Valley Township – Montcalm County, Michigan

Notes to Financial Statements

For the Year Ended March 31, 2005

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Maple Valley Township conform to accounting policies generally accepted in the United States of America (GAAP) as applicable to governmental units. The following is a summary of the significant accounting policies used by Maple Valley Township:

Reporting Entity

The Township is governed by an elected, five-member, Board. The accompanying financial statements present the government and its component units; entities for which the government is considered to be financially accountable. Based on the application of the criteria, the Township does not contain any component units.

Government – Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of inter-fund activity has been removed from these statements. Governmental activities, normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenue includes: (1a) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenue.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

District-Wide Statements - The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Fund Based Statements - Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be "available" if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Property taxes – Maple Valley Township's property tax is levied on each December 1st on the taxable valuation of property located within Maple Valley Township as of the preceding December 31st.

Maple Valley Township – Montcalm County, Michigan

Notes to Financial Statements - Continued
For the Year Ended March 31, 2005

Although the Maple Valley Township 2004 ad valorem tax is levied and collectible on December 1, 2004, it is Maple Valley Township's policy to recognize revenue from the current tax levy in the current year when the proceeds of this levy are budgeted and made "available" for the financing of operations.

The 2004 taxable valuation of Maple Valley Township totaled approximately \$40,370,000, on which ad valorem taxes levied consisted of .8741 mills for the Township operating purposes and an additional .9797 mills for fire protection. These amounts are recognized in the respective General and Special Revenue Fund financial statements as Due from Montcalm County and/or as a tax revenue.

The Township reports the following major governmental funds:

The General Fund is the Township's primary operating fund. It accounts for all financial resources of the Township, except those required to be accounted-for in another fund.

The Fire Fund is used to record property tax and interest for expenditures for fire protection.

Additionally, the Township reports the following fund types:

The Township reports a Fiduciary Fund (Agency Fund). This fund accounts for taxes and special assessments collected by the Township as an agent for other taxing units. Fiduciary Fund net assets and results of operations are not included in the government-wide financial statements. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

The Township reports a Cemetery Trust Fund. This fund accounts for monies received to provide perpetual care.

The Township has no non-major governmental funds.

As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements.

Assets, Liabilities and Net Assets or Equity

Deposits and Investments – Cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with a maturity of three months or less when acquired. Investments are stated at fair value.

Receivables and Payables – In general, outstanding balances between funds are reported as "due to/from other funds". Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as "advances to/from other funds".

All trade and property tax receivables are shown as net of allowance for uncollectible amounts. Property taxes are levied on each December 1st and are considered delinquent on March 1st of the following year, at which time interest and penalties are assessed.

Capital Assets – Capital assets, which include property, plant and equipment assets are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial individual cost of more than \$3,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of the donation.

Property, plant and equipment is depreciated using the straight-line method over the following useful lives:

| | |
|-----------------------|----------------|
| Building | 40 Years |
| Building Improvements | 10 to 30 Years |
| Equipment | 7 to 10 Years |
| Office Equipment | 3 to 10 Years |

Maple Valley Township – Montcalm County, Michigan

Notes to Financial Statements - Continued
For the Year Ended March 31, 2005

Fund Equity – In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

NOTE B – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information – Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental units. All annual appropriations lapse at fiscal year end.

The budget document presents information by fund, function, activity and line items. The legal level of budgetary control adopted by the governing body is the activity level. State law requires the Township have its budget in place by April 1st. Expenditures in excess of amounts budgeted is a violation of Michigan Law. State law permits a township to amend its budgets during the year.

NOTE C – DEPOSITS AND INVESTMENTS

Michigan Compiled Laws, Section 129.91, authorizes the local governmental unit to make deposits and invest in the accounts of federally insured banks, credit unions, and savings and loan associations, which have an office in Michigan. The Township is allowed to invest in bonds, securities and other direct obligations of the United States or any agency or instrumentality of the United States; United States government or federal agency obligations; repurchase agreements; bankers' acceptance of United States banks; commercial paper rated within the two highest classifications which mature not more than 270 days after the date of purchase; obligations of the State of Michigan or its political subdivisions which are rated as investment grade; and mutual funds composed of investment vehicles which are legal for direct investment by local units of government in Michigan.

The Township has designated two banks for the deposit of Township Funds. The investment policy adopted by the Township Board in accordance with Public Act 196 of 1997 has authorized investment in bank accounts and certificates of deposit, but not the remainder of State statutory authority as listed above.

The Township's deposits and investment policy are in accordance with statutory authority.

At year-end, the Township's deposits and investments were reported in the basic financial statements in the following categories:

Governmental Activities

Cash and cash equivalents \$ 264,128

The bank balance of the primary government's deposits is \$276,328, of which \$276,328 is covered by federal depository insurance.

NOTE D – RECEIVABLES

Receivables as of year-end for the government's individual major and non-major funds are as follows:

| | General | Fire | Total |
|------------------|-----------|-----------|-----------|
| Taxes receivable | \$ 47,728 | \$ 39,542 | \$ 87,270 |

Maple Valley Township – Montcalm County, Michigan

Notes to Financial Statements - Continued

For the Year Ended March 31, 2005

NOTE E – CAPITAL ASSETS

Capital asset activity of the governmental activities for the current year was as follows:

| | Beginning Balance | Increases | Decreases | Ending Balance |
|---|----------------------|------------|-----------|-------------------|
| Capital assets not being depreciated | | | | |
| Land | \$ 45,750 | \$ 0 | \$ 0 | \$ 45,750 |
| Capital assets being depreciated | | | | |
| Buildings | 320,250 | 0 | 0 | 320,250 |
| Fire vehicles | 241,000 | 0 | 0 | 241,000 |
| Equipment | 10,000 | 7,495 | 0 | 17,495 |
| Less Accumulated depreciation for Capital assets | (345,204) | (14,963) | (0) | (360,167) |
| Net capital assets | \$ 271,796 | \$ (7,468) | \$ 0 | \$ 264,328 |

Depreciation expense was not charged to activities as the Township considers its assets to impact multiple activities and allocation is not practical.

NOTE G – INTERFUND RECEIVABLES and PAYABLES

| Receivable Fund | Payable Fund | Amount |
|-----------------|--------------|---------|
| Fire | General | \$5,324 |

NOTE H – RISK MANAGEMENT

The Township is exposed to various risks of loss related to property loss, torts, errors and omissions and employee injuries (workers' compensation). The Township has purchased workers' compensation insurance for such claims. Settled claims relating to the workers' compensation insurance have not exceeded the amount of insurance coverage in any of the past three fiscal years.

REQUIRED SUPPLEMENTAL INFORMATION

Maple Valley Township – Montcalm County, Michigan

Budgetary Comparison Schedule

General Fund

For the Year Ended March 31, 2005

| | Original Budget | Amended Budget | Actual | Variance with Final Budget Favorable (Unfavorable) |
|---|--------------------|-------------------|------------|---|
| BEGINNING OF YEAR FUND BALANCE | \$ 293,392 | \$ 293,392 | \$ 293,392 | \$ 0 |
| Resources (inflows) | | | | |
| Property Tax | 44,000 | 44,000 | 51,621 | 7,621 |
| State Grants | 150,000 | 150,000 | 146,986 | (3,014) |
| Charges for Services | 4,600 | 4,600 | 5,689 | 1,089 |
| Interest and Rents | 3,900 | 3,900 | 5,078 | 1,178 |
| Other Revenue | 350 | 350 | 19,539 | 19,189 |
| Amounts Available for Appropriation | 496,242 | 496,242 | 522,305 | 26,063 |
| Charges to Appropriations (outflows) | | | | |
| General Government | | | | |
| Township board | 22,850 | 22,850 | 14,068 | 8,782 |
| Supervisor | 9,000 | 9,100 | 9,060 | 40 |
| Elections | 5,550 | 5,800 | 5,740 | 60 |
| Assessor | 15,405 | 15,405 | 15,180 | 225 |
| Clerk | 14,650 | 14,650 | 13,200 | 1,450 |
| Board of review | 800 | 1,200 | 894 | 306 |
| Treasurer | 14,550 | 18,000 | 17,776 | 224 |
| Townhall | 14,900 | 14,900 | 10,062 | 4,838 |
| Cemetery | 13,800 | 13,800 | 13,070 | 730 |
| Public Safety | | | | |
| Planning | 2,025 | 2,025 | 1,495 | 530 |
| Zoning | 3,225 | 3,225 | 2,262 | 963 |
| Public Works | | | | |
| Highways, streets & bridges | 41,170 | 41,170 | 40,823 | 347 |
| Sanitation | 4,100 | 4,100 | 2,976 | 1,124 |
| Street lighting | 10,000 | 10,000 | 9,994 | 6 |
| Cultural and Recreation | | | | |
| Parks | 10,325 | 21,000 | 20,775 | 225 |
| Other Functions | | | | |
| Social security/ medicare tax | 4,500 | 4,500 | 4,475 | 25 |
| Insurance and bonds | 16,000 | 16,000 | 6,834 | 9,166 |
| Total Charges to Appropriations | 202,850 | 217,725 | 188,684 | 29,041 |
| Budgetary Fund Balance - March 31, 2005 | \$ 293,392 | \$ 278,517 | \$ 333,621 | \$ 55,104 |

Maple Valley Township – Montcalm County, Michigan

Budgetary Comparison Schedule

Fire Millage Fund

For the Year Ended March 31, 2005

| | Original Budget | Amended Budget | Actual | Variance with Final Budget Favorable (Unfavorable) |
|---|--------------------|-------------------|-----------|---|
| BEGINNING OF YEAR FUND BALANCE | \$ 39,963 | \$ 39,963 | \$ 39,963 | \$ 0 |
| Resources (inflows) | | | | |
| Property Tax | 36,300 | 36,300 | 39,542 | 3,242 |
| Charges for Services | 3,500 | 3,500 | 0 | (3,500) |
| Other Revenue | 1,500 | 1,500 | 8,934 | 7,434 |
| Amounts Available for Appropriation | 81,263 | 81,263 | 88,439 | 7,176 |
| Charges to Appropriations (outflows) | | | | |
| Public Safety | | | | |
| Fire protection | 41,300 | 71,000 | 70,687 | 313 |
| BUDGETARY FUND BALANCE - March 31, 2005 | \$ 39,963 | \$ 10,263 | \$ 17,752 | \$ 7,489 |

TERRY KIRKPATRICK, CPA, P.C.
CERTIFIED PUBLIC ACCOUNTANT

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Members of the Township Board
Maple Valley Township
Montcalm County, Michigan

I have recently completed my audit of the basic financial statements of Maple Valley Township for its year ended March 31, 2005. During this audit, I had an opportunity to observe accounting and financial procedures and many of your general management practices. As a result of these auditing procedures, there are some comments I want to present.

CLERK AND TREASURER DID A COMMENDABLE JOB

The Township Clerk and Treasurer did a commendable job during the past fiscal year with the financial record keeping. Keep up the good work.

OTHER MATTERS

I want to thank your personnel for the courtesy and cooperation shown me by them during the audit.

I have mailed two copies of the audit report and this letter to the Michigan Department of Treasury.

If you have any questions regarding the above or the audit, please contact me.

 *Terry Kirkpatrick* CPA, P.C.

May 26, 2005